Subject: FW: Hollywood Media District CALTRANS Properties Past Due Special Assessments Due $163,227.03 Business Improvement District
From: Lisa Schechter <lisa@mediadistrict.org>
Date: 04/11/2016 07:38 PM
To: Josh Kurpies <josh.kurpies@asm.ca.gov>

Dear Josh:

Here is the response from Caltrans regarding the Hollywood Media District BID's past due balance. Appreciate any assistance.

Thank you

Lisa Schechter
Executive Director
Hollywood Media District BID
1040 N. Las Palmas Avenue
Hollywood, CA 90038
(323)860-0025 Direct
(323)860-0026 Fax

MediaDistrict.org

From: Roger Yoh <roger.yoh@dot.ca.gov>
Date: Friday, April 8, 2016 at 12:54 PM
To: Lisa Schechter <lisa@mediadistrict.org>
Cc: Jim Omahen <jim@mediadistrict.org>, Maria Gomez <maria.v.gomez@lacity.org>, Rick Scott <rick.scott@lacity.org>, "Nierenberg, Andrew P@DOT" <andrew.p.nierenberg@dot.ca.gov>, "Rodriguez, Blanca A@DOT" <blanca.rodriguez@dot.ca.gov>, "McIntosh, Duncan R@DOT" <duncan.mcintosh@dot.ca.gov>
Subject: RE: Hollywood Media District CALTRANS Properties Past Due Special Assessments Due $163,227.03 Business Improvement District

Lisa,

Hi again! I was told that Caltrans has a standing position on Business Improvement District Assessment and has communicated this position to the Los Angeles City Clerk's office.

Under Article XIII, Section 3 of the California Constitution (http://www.leginfo.ca.gov/.const/.article_13), the State is exempt from assessments on the land that it owns unless there is an express grant of authority from the Legislature making the State's property subject to a particular assessment. In those rare situations where the Legislature has authorized a particular assessment, the determination of whether the assessment is actually owed or the amount that may be owed is made pursuant to the

requirements and procedures found in Article XIII D of the Constitution.

Article XIII D, which was added to the Constitution after the voters passed Proposition 218 in 1996, sets forth procedural requirements for the levying of assessments, fees and charges on real property. The Article is commonly misread as a grant of new authority to agencies to assess state-owned property. There is no such grant of new authority to assessing agencies. Section 1 of Article XIII D is clear and expressly states:

- **“Nothing in this article … shall be construed to: (a) Provide any new authority to any agency to impose a tax, assessment, fee or charge.**

Therefore, before Caltrans can be made subject to the levying of a particular assessment, there must be express legislative authority allowing for the assessment. If the Legislature has not granted such authority, Caltrans cannot be held liable for the assessment.

Caltrans requests that the Hollywood Media District BID identify the provision in law that authorizes the assessment for which it has billed us. In the event that the above-identified bills have been sent in error, we ask the BID take immediate action to remedy the error and that Caltrans be removed from the BID's assessment rolls.

Please feel free to contact me if you have any questions.

Best,

Roger Yoh, PE, PMP
External Affairs
Caltrans District 7
213.897.3669
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http://www.dot.ca.gov/dist07/

Caltrans Mission: *Provide a safe, sustainable, integrated, and efficient transportation system to enhance California’s economy and livability.*
Caltrans Vision: *A performance-driven, transparent, and accountable organization that values its people, resources and partners, and meets new challenges through leadership, innovation, and teamwork.*

From: Yoh, Roger@DOT
Sent: Friday, April 08, 2016 9:30 AM
To: Lisa Schechter
Cc: Jim Omahen; Maria Gomez; Rick Scott; Nierenberg, Andrew P@DOT
Subject: RE: Hollywood Media District CALTRANS Properties Past Due Special Assessments Due $163,227.03 Business Improvement District

Hi Lisa,

I trust all is well with you. Sorry for the delayed reply as it has been a pretty hectic week for me so far. The gentleman in charge of right of way/real estate activities in LA and Ventura Counties is Mr. Andy Nierenberg, and I have CC'd him on this communication. I hope Andy will be able to direct you to the appropriate staff to assist you with this issue very soon.

Take care,

Roger

From: Lisa Schechter [lisa@mediadistrict.org]
Sent: Tuesday, April 05, 2016 1:03 PM
To: Yoh, Roger@DOT
Cc: Jim Omahen; Maria Gomez; Rick Scott
Subject: Hollywood Media District CALTRANS Properties Past Due Special Assessments Due $163,227.03 Business Improvement District

Dear Roger:

On behalf of the Hollywood Media District Property Owners Association, I am seeking your direction and assistance with several Caltrans owned parcels with the Hollywood Media District BID. These specific parcels were stakeholders/property owners with the BID.

APNS: 5532-021-902
Address: 6725 Santa Monica Boulevard
Total Assessment Due 2005/2014$87,324.42

APNS:5533-027-900 (901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911)
Address: 803 Cole Avenue (Department of Motor Vehicles)
Total Assessment Due 2005/2014 $ 75,902.61

As of today, Caltrans is in arrears to the BID in the amount of $163,227.03 for services provided between the years of 2005 through 2014. The Los Angeles City Clerk provides administrative services in billing all governmental parcels and had in fact been billing Caltrans annually for this services rendered under the BID's management agreement. The Hollywood Media District BID was originally formed in 2000, and subsequently renewed for an addtional ten (10) years from 2005 through 2014. Under the Property an dBusiness Improvement District Law of 1994 (California Government Code Section 36600 et seq) and the State Constitution Article XIIID require that assessments be levied according to the special benefit each parcel receives from the improvements. This was reaffirmed in 1998, when the voters passed Prop 218 - stating the following "Parcels within a p;property –based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempted from assessments ….." Hence, all parcels with the Hollywood Media District BID are assessed – including government, faith, non profit, and the like. Within the Hollywood Media District BID, we have parcels owned by the City of Los Angeles, the Los Angeles School District and the State of California. At this point in time, the past due combined assessment of $163,277.03 from the State of California/Caltrans remains on our books and

appears as a receivable on our financial statement.

The Los Angeles City Clerk is gathering all the invoices mailed to Caltrans during 2005 through 2014 for the above referenced parcels. I am hopeful that you will be able to direct me to the correct person that handles past due obligations as I have been instructed by the Board of Director and an obligation to the other stakeholders to move forward with collection. Look forward to your response.

Thank you in advance for your assistance.

Sincerely,

Lisa Schechter
Executive Director
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